


<div style="text-align: center;">THIS AMENDMENT:</div>			 0000106130
<input type="checkbox"/> Passed	<input type="checkbox"/> Passed as amended by		
<input type="checkbox"/> Failed	<input type="checkbox"/> Not Offered	<input type="checkbox"/> Withdrawn	

ORIGINAL

PIERCE PROPOSED AMENDMENT # 2

DATE PREPARED: December 15, 2009

COMPANY: Arizona Public Service Company

DOCKET NOS: RE-00000C-09-0427

OPEN MEETING DATES: December 15-16, 2009

AGENDA ITEM: U-9

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INSERT NEW SUBSECTION:

"I. An affected utility shall file within 90 days of approval of this standard a Fixed Cost Recovery Rate supporting the per kWh cost recovery shortfall created by reduced kWh sales due to DSM/EE programs. This Fixed Cost Recovery Rate will be equal to the non-fuel-related variable rate approved by the ACC in the Utility's most recent rate case. The Fixed Cost Recovery Deficiency calculation shall multiply the Fixed Cost Recovery Rate by the cumulative kWh sales reductions due to DSM/EE since the Utility's last rate case. Both the Fixed Cost Recovery Rate and the cumulative DSM/EE sales reduction shall be reset coincident with the effective date of applicable changes to the Utility's rates. The affected utility shall recover the Fixed Cost Recovery Deficiency through the annual true-up of the affected utility's DSM adjustor mechanism."

Conforming changes.

Arizona Corporation Commission
DOCKETED

DEC 15 2009

DOCKETED BY	<i>mm</i>
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